

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 279 – SB 278

March 11, 2018

SUMMARY OF ORIGINAL BILL: Authorizes any municipality, county, airport authority, and utility district to regulate the use of tobacco products in public places, places of employment, and parks.

FISCAL IMPACT OF ORIGINAL BILL:

Increase Local Expenditures – Exceeds \$30,000/One-Time/Permissive

IMPACT TO COMMERCE OF ORIGINAL BILL:

Other Fiscal Impact – Any impact to commerce of jobs in Tennessee cannot reasonably be determined.

SUMMARY OF AMENDMENT (014493): Deletes all language after the enacting clause. Authorizes local governments, airport authorities, and utility districts to regulate the use of tobacco products in buildings and on property owned or leased by the entity.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Such local government entities are not permitted to regulate the use of tobacco in a manner that is less restrictive than required by state law.
- Any vote required for passage of an ordinance can be accomplished at a regularly-scheduled meeting.
- Pursuant to Tenn. Code Ann. § 39-17-1805(a), signage must be placed clearly and conspicuously at every entrance to any public location where smoking is prohibited.
- Signs are estimated to cost an average of \$25 per sign.

- It is reasonably estimated there will be at least 400 signs, or \$10,000 (400 x \$25) in signage costs, in each grand division, resulting in a permissive one-time increase in local expenditures of \$30,000 (\$10,000 x 3 grand divisions).
- Any fine revenue collected by local government as a result of violations of the regulation is estimated to be not significant.

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

Assumption for the bill as amended:

- The provisions of the bill as amended authorize local government to regulate tobacco product use on property owned or leased by local government entities; as a result, there will be no impact to commerce or jobs in Tennessee.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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